



GLOBAL STUDENT MOBILITY 2025

*Forecasts of the Global Demand for International
Higher Education*

Böhm, Davis, Meares and Pearce (2002)

MEDIA BRIEFING

I. INTRODUCTION

Context One of the most significant features of the global education market over the last decade has been the phenomenal growth in demand for international education. In 2000 there were an estimated 1.8 million international students in higher education institutions around the world.

More than half a million international students study in the United States and approximately 200,000 study in Australian institutions. These students contribute over US\$11 billion to the US economy and over AUD\$4.2 billion Australian economy annually. International education now represents Australia's 8th largest export sector.

Background Remaining competitive in this increasingly dynamic environment requires a solid understand of the future global demand for international education and Australia's competitive position within this global context.

Undertaken by IDP Education Australia in association with the Centre for International Economics, *Global Student Mobility 2025* represents one of the most significant studies on international education over the last decade. Using detailed data on 130 source countries, *Global Student Mobility 2025* provides:

- Updated forecasts on population, economic and education performance,
- An analysis of tertiary education access rates, and their movements,
- Forecasts of the demand for tertiary education,
- An analysis of propensity for tertiary student to study abroad and their movements over time, and
- Country, regional and global forecasts of the demand for the international higher education in Australia.

Forecasts *Global Student Mobility 2025* presents forecasts of the demand for international education based on four key factors. These include:

- Income per capita,
- Population,
- Local tertiary education participation, and
- Propensity of tertiary students to study abroad.

II. KEY OUTCOMES

Global demand for international higher education

The global demand for international higher education is set to grow enormously. Demand is forecast to increase from 1.8 million international students in 2000 to 7.2 million international students in 2025. This is demonstrated in Figure 1.

Asia will dominate the global demand for international higher education. By 2025, Asia will represent some 70% of total global demand and increase of 27 percentage points from 2000. Within Asia, China and India will represent the key growth drivers – generating over half of the global demand in international higher education by 2025.

Global demand for Australian higher education

The total demand for Australian education is set to increase over 9-fold over the period (2000-2025). This represents an increase in Australia's share of global demand from 3% in 2000 to 8% in 2025.

By 2025, it is forecast that the total demand for international higher education in Australia will exceed 996,000 students. This is illustrated in Figure 2.

According to the forecasts, transnational or **offshore** (through offshore campuses and distance education) programs will account for 44% of this total demand. On this basis, by 2025, the demand for international **onshore** higher education in Australia will exceed 560,000 students. This is illustrated in Figure 2.

Asia will continue to dominate the global demand for Australian higher education. The demand from Asia is set to increase from 83% in 2000 to 92% in 2025.

II. KEY IMPLICATIONS

Enormous opportunities for Australia

The huge forecast growth in the international demand for Australian education provides enormous opportunities for Australia.

Significantly, international education has the potential to drive Australia's transition towards a new knowledge economy. In addition to its importance as a sustainable 'green' export, international education will increasingly assist in ensuring Australia remains globally competitive.

Based on conservative forecasts, education exports are set to grow from \$4 billion in 2000 to over \$38 billion (in 2002 dollar terms).

Capitalising on this opportunity will require a significant shift in government policy. Importantly, government policy will need to recognise the holistic benefits of international education to the future economic, cultural and political development and prosperity within Australia. This will need to include a formal recognition of the significant intellectual expertise of international students and their potential contribution to Australia's economic and social development.

New world of opportunities for Australian students

Expansion of Australia's engagement in international education will generate far-reaching and significant benefits for Australian students.

Through the increased number of international students in Australia, local students will have access to a significantly more diverse range of courses than would otherwise be available.

Through the internationalisation of curriculum, Australian students will receive qualifications relevant in the global environment. Furthermore, a significant increase in international students will assist in facilitating the recognition of Australian qualifications around the world. This will generate expanded global mobility options for Australian students.

Increasing importance on IDP's engagement within Asia

Asia will continue to dominate the demand for Australian education. By 2025, all of Australia's top ten source markets will be Asian. China, Malaysia, India and Indonesia will generate the highest levels of demand for Australian education.

Remaining 'top-of-mind' in Asia will be critical to the on-going success of Australian education in the region. To achieve and sustain 'top-of-mind' positioning in Asia, the Australian government will need to re-establish Australia's leadership and engagement within the Asian region.

Figure 1
Projected Global Demand for International Education
(Thousands of International Students)

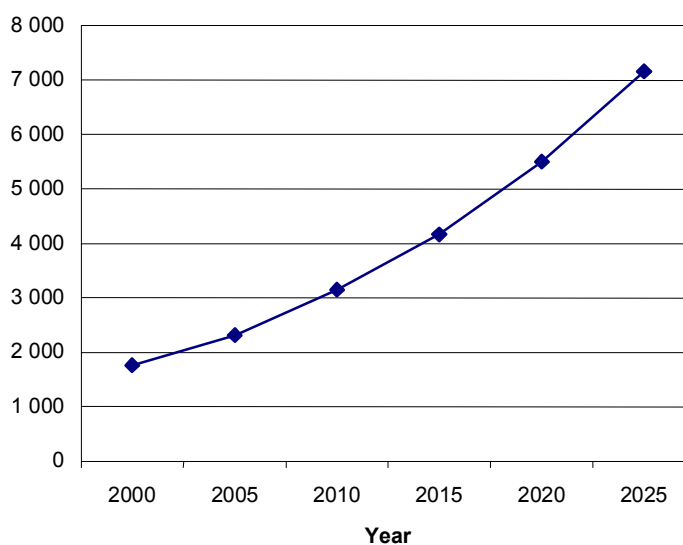


Figure 2
Projected Demand for Australian Higher Education
(In-Australia and Transnational Education)

